

Charter Communications, Inc.

Customer Metrics

(in thousands except ARPU and penetration, unaudited)

	2017					2018					2019				
	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q	4Q	FY
Footprint (a)															
Estimated Passings	49,647	49,861	50,099	50,334	50,334	50,526	50,725	50,977	51,185	51,185	51,384	51,619	51,940	52,154	52,154
Penetration Statistics (b)															
Total Customer Relationship Penetration of Estimated Passings	53.4%	53.6%	53.8%	54.0%	54.0%	54.3%	54.5%	54.6%	54.9%	54.9%	55.4%	55.5%	55.8%	56.1%	56.1%
Customer Relationships (c)															
Residential	24,991	25,157	25,329	25,499	25,499	25,730	25,871	26,063	26,270	26,270	26,591	26,755	27,037	27,277	27,277
Small and Medium Business	1,533	1,580	1,623	1,662	1,662	1,695	1,750	1,792	1,833	1,833	1,863	1,902	1,930	1,958	1,958
Total Customer Relationships	26,524	26,737	26,952	27,161	27,161	27,425	27,621	27,855	28,103	28,103	28,454	28,657	28,967	29,235	29,235
Net Additions (Losses)															
Residential	321	166	172	170	829	231	141	192	207	771	321	164	282	240	1,007
Small and Medium Business	37	47	43	39	166	33	55	42	41	171	30	39	28	28	125
Total Customer Relationships	358	213	215	209	995	264	196	234	248	942	351	203	310	268	1,132
Residential															
Primary Service Units ("PSU")															
Video	16,593	16,502	16,398	16,400	16,400	16,279	16,206	16,140	16,104	16,104	15,952	15,802	15,725	15,620	15,620
Internet	21,775	22,005	22,255	22,518	22,518	22,852	23,070	23,336	23,625	23,625	24,023	24,244	24,595	24,908	24,908
Voice	10,361	10,375	10,401	10,424	10,424	10,370	10,325	10,218	10,135	10,135	10,015	9,808	9,595	9,443	9,443
Net Additions (Losses)															
Video	(108)	(91)	(104)	2	(301)	(121)	(73)	(66)	(36)	(296)	(152)	(150)	(77)	(105)	(484)
Internet	416	230	250	263	1,159	334	218	266	289	1,107	398	221	351	313	1,283
Voice	30	14	26	23	93	(54)	(45)	(107)	(83)	(289)	(120)	(207)	(213)	(152)	(692)
Single Play (g)	9,860	10,062	10,258	10,341	10,341	10,577	10,694	10,858	10,928	10,928	11,189	11,354	11,557	11,741	11,741
Double Play (g)	6,523	6,467	6,418	6,473	6,473	6,537	6,633	6,789	7,097	7,097	7,412	7,709	8,088	8,377	8,377
Triple Play (g)	8,608	8,628	8,653	8,685	8,685	8,616	8,544	8,416	8,245	8,245	7,990	7,692	7,392	7,159	7,159
Single Play Penetration (h)	39.5%	40.0%	40.5%	40.6%	40.6%	41.1%	41.3%	41.7%	41.6%	41.6%	42.1%	42.4%	42.7%	43.0%	43.0%
Double Play Penetration (h)	26.1%	25.7%	25.3%	25.4%	25.4%	25.4%	25.6%	26.1%	27.0%	27.0%	27.9%	28.8%	29.9%	30.7%	30.7%
Triple Play Penetration (h)	34.4%	34.3%	34.2%	34.1%	34.1%	33.5%	33.0%	32.3%	31.4%	31.4%	30.0%	28.8%	27.3%	26.2%	26.2%
% Residential Non-Video Customer Relationships	33.6%	34.4%	35.3%	35.7%	35.7%	36.7%	37.4%	38.1%	38.7%	38.7%	40.0%	40.9%	41.8%	42.7%	42.7%
Monthly Residential Revenue per Residential Customer (d)	\$ 109.64	\$ 109.99	\$ 110.66	\$ 110.74	\$ 110.28	\$ 111.41	\$ 111.88	\$ 111.13	\$ 111.78	\$ 111.56	\$ 112.47	\$ 112.20	\$ 112.00	\$ 113.79	\$ 112.63
Small and Medium Business															
PSUs															
Video	408	423	438	450	450	460	476	488	502	502	509	518	520	524	524
Internet	1,351	1,390	1,429	1,470	1,470	1,503	1,552	1,594	1,634	1,634	1,664	1,701	1,730	1,756	1,756
Voice	824	863	898	930	930	957	994	1,024	1,051	1,051	1,072	1,097	1,120	1,144	1,144
Net Additions (Losses)															
Video	11	15	15	12	53	10	16	12	14	52	7	9	2	4	22
Internet	31	39	39	41	150	33	49	42	40	164	30	37	29	26	122
Voice	31	39	35	32	137	27	37	30	27	121	21	25	23	24	93
Monthly Small and Medium Business Revenue per Customer (e)	\$ 190.80	\$ 190.37	\$ 186.66	\$ 181.57	187.24	\$ 178.84	\$ 176.96	\$ 173.52	\$ 170.62	174.88	\$ 170.64	\$ 170.42	\$ 169.44	\$ 169.06	169.90
Mobile Lines															
Residential and Small and Medium Business Mobile Lines	—	—	—	—	—	—	—	21	134	134	310	518	794	1,082	1,082
Net Additions (Losses)	—	—	—	—	—	—	—	21	113	134	176	208	276	288	948
Enterprise PSUs (f)															
Enterprise PSUs	196	202	210	220	220	228	235	243	248	248	253	258	264	267	267
Net Additions (Losses)	5	6	8	10	29	8	7	8	5	28	5	5	6	3	19

All percentages are calculated using whole numbers. Minor differences may exist due to rounding.
See footnotes on page 5.

Charter Communications, Inc.
Revenue, Expenses and Adjusted EBITDA ⁽ⁱ⁾

(\$ in millions; unaudited)

	2017					2018					2019				
	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q	4Q	FY
Revenue															
Video	\$ 4,074	\$ 4,119	\$ 4,208	\$ 4,220	\$16,621	\$ 4,292	\$ 4,363	\$ 4,332	\$ 4,361	\$17,348	\$ 4,384	\$ 4,391	\$ 4,359	\$ 4,473	\$17,607
Internet	3,397	3,512	3,555	3,637	14,101	3,707	3,770	3,809	3,895	15,181	4,024	4,103	4,195	4,345	16,667
Voice	694	650	611	587	2,542	556	531	512	515	2,114	504	489	477	450	1,920
Residential Revenue	8,165	8,281	8,374	8,444	33,264	8,555	8,664	8,653	8,771	34,643	8,912	8,983	9,031	9,268	36,194
Small and Medium Business	866	890	896	895	3,547	900	915	922	928	3,665	945	963	974	986	3,868
Enterprise	579	588	594	612	2,373	622	627	632	647	2,528	643	652	644	617	2,556
Commercial Revenue	1,445	1,478	1,490	1,507	5,920	1,522	1,542	1,554	1,575	6,193	1,588	1,615	1,618	1,603	6,424
Advertising Sales	337	381	373	419	1,510	356	427	440	562	1,785	345	395	394	434	1,568
Mobile	—	—	—	—	—	—	—	17	89	106	140	158	192	236	726
Other	217	217	221	232	887	224	221	228	234	907	221	196	215	220	852
Total Revenue	\$10,164	\$10,357	\$10,458	\$10,602	\$41,581	\$10,657	\$10,854	\$10,892	\$11,231	\$43,634	\$11,206	\$11,347	\$11,450	\$11,761	\$45,764
Y/Y Growth	4.3%	3.9%	4.2%	3.2%	3.9%	4.9%	4.8%	4.2%	5.9%	4.9%	5.1%	4.5%	5.1%	4.7%	4.9%
Costs and Expenses															
Programming	\$ 2,604	\$ 2,649	\$ 2,699	\$ 2,644	\$10,596	\$ 2,752	\$ 2,803	\$ 2,778	\$ 2,791	\$11,124	\$ 2,865	\$ 2,827	\$ 2,790	\$ 2,808	\$11,290
Regulatory, Connectivity and Produced Content	498	532	523	511	2,064	533	560	546	571	2,210	561	597	612	596	2,366
Costs to Service Customers	1,800	1,762	1,823	1,850	7,235	1,854	1,784	1,854	1,835	7,327	1,822	1,767	1,894	1,794	7,277
Marketing	765	760	761	750	3,036	751	769	790	732	3,042	735	768	793	748	3,044
Mobile	—	—	—	—	—	8	33	94	211	346	260	277	337	372	1,246
Other Expense	843	807	833	866	3,349	866	854	879	927	3,526	908	926	938	914	3,686
Total Operating Costs and Expenses	\$ 6,510	\$ 6,510	\$ 6,639	\$ 6,621	\$26,280	\$ 6,764	\$ 6,803	\$ 6,941	\$ 7,067	\$27,575	\$ 7,151	\$ 7,162	\$ 7,364	\$ 7,232	\$28,909
Adjusted EBITDA ⁽ⁱ⁾															
Adjusted EBITDA ⁽ⁱ⁾	\$ 3,654	\$ 3,847	\$ 3,819	\$ 3,981	\$15,301	\$ 3,893	\$ 4,051	\$ 3,951	\$ 4,164	\$16,059	\$ 4,055	\$ 4,185	\$ 4,086	\$ 4,529	\$16,855
Y/Y Growth	6.4%	8.6%	5.0%	3.3%	5.8%	6.5%	5.3%	3.5%	4.6%	5.0%	4.2%	3.3%	3.4%	8.8%	5.0%
Adjusted EBITDA Margin	35.9%	37.1%	36.5%	37.5%	36.8%	36.5%	37.3%	36.3%	37.1%	36.8%	36.2%	36.9%	35.7%	38.5%	36.8%
Cable Adjusted EBITDA ⁽ⁱ⁾						\$ 3,901	\$ 4,084	\$ 4,028	\$ 4,286	\$16,299	\$ 4,175	\$ 4,304	\$ 4,231	\$ 4,665	\$17,375
Cable Y/Y Growth						6.8%	6.2%	5.5%	7.6%	6.5%	7.0%	5.4%	5.0%	8.9%	6.6%
Cable Adjusted EBITDA Margin						36.6%	37.6%	37.0%	38.5%	37.4%	37.7%	38.5%	37.6%	40.5%	38.6%

Adjusted EBITDA ⁽ⁱ⁾ and cable Adjusted EBITDA ⁽ⁱ⁾ are non-GAAP terms. See page 4 for the reconciliation of Adjusted EBITDA ⁽ⁱ⁾ and cable Adjusted EBITDA ⁽ⁱ⁾ to net income attributable to Charter shareholders as defined by GAAP.

Year over year revenue and Adjusted EBITDA growth for Q1 2017, Q2 2017 and full year 2017 are on a pro forma basis assuming the acquisition of cable systems in 2016 occurred as of January 1, 2015. Actual year over year revenue and Adjusted EBITDA growth for Q1 2017, Q2 2017 and full year 2017 is not meaningful.

All percentages are calculated using whole numbers. Minor differences may exist due to rounding. See footnotes on page 5.

Charter Communications, Inc.

Capital Expenditures

(\$ in millions; unaudited)

	2017					2018					2019				
	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q	4Q	FY
Capital Expenditures															
Customer premise equipment (j)	\$ 707	\$ 1,017	\$ 855	\$ 806	\$ 3,385	\$ 934	\$ 828	\$ 675	\$ 687	\$ 3,124	\$ 565	\$ 492	\$ 470	\$ 543	\$ 2,070
Scalable infrastructure (k)	268	382	632	725	2,007	486	587	505	649	2,227	297	223	320	599	1,439
Line extensions (l)	248	297	319	312	1,176	291	353	348	381	1,373	321	363	370	390	1,444
Success Based	1,223	1,696	1,806	1,843	6,568	1,711	1,768	1,528	1,717	6,724	1,183	1,078	1,160	1,532	4,953
Upgrade/Rebuild (m)	107	145	163	157	572	142	190	190	182	704	131	155	165	183	634
Support capital (n)	225	307	424	585	1,541	330	433	400	534	1,697	351	364	326	567	1,608
Total capital expenditures	1,555	2,148	2,393	2,585	8,681	2,183	2,391	2,118	2,433	9,125	1,665	1,597	1,651	2,282	7,195
Less: Mobile capital expenditures	—	—	—	—	—	(17)	(53)	(66)	(106)	(242)	(88)	(93)	(100)	(151)	(432)
Cable capital expenditures	\$ 1,555	\$ 2,148	\$ 2,393	\$ 2,585	\$ 8,681	\$ 2,166	\$ 2,338	\$ 2,052	\$ 2,327	\$ 8,883	\$ 1,577	\$ 1,504	\$ 1,551	\$ 2,131	\$ 6,763
Capital expenditures included in total related to:															
Commercial services	\$ 268	\$ 335	\$ 342	\$ 360	\$ 1,305	\$ 283	\$ 309	\$ 342	\$ 379	\$ 1,313	\$ 305	\$ 324	\$ 327	\$ 358	\$ 1,314
All-digital transition	\$ 1	\$ 5	\$ 47	\$ 69	\$ 122	\$ 186	\$ 88	\$ 42	\$ 28	\$ 344	\$ —	\$ —	\$ —	\$ —	\$ —
Plant Stats:															
750+ Megahertz					98%					99%					99%
Two-way activated					99%					100%					100%
All-digital					74%					100%					100%
DOCSIS 3.1					17%					99%					100%

See footnotes on page 5.

Charter Communications, Inc.
Reconciliation of Non-GAAP Measures to GAAP Measures

(\$ in millions; unaudited)

	2017					2018					2019				
	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q	4Q	FY
Reconciliation															
Net income attributable to Charter shareholders	\$ 155	\$ 139	\$ 48	\$ 9,553	\$ 9,895	\$ 168	\$ 273	\$ 493	\$ 296	\$ 1,230	\$ 253	\$ 314	\$ 387	\$ 714	\$ 1,668
Plus:															
Net income attributable to noncontrolling interest	56	56	44	64	220	55	66	91	64	276	64	72	80	108	324
Interest expense, net	713	749	788	840	3,090	851	878	901	910	3,540	925	945	963	964	3,797
Income tax (benefit) expense	25	48	26	(9,186)	(9,087)	28	41	109	2	180	119	84	126	110	439
Depreciation and amortization	2,550	2,595	2,701	2,742	10,588	2,710	2,592	2,482	2,534	10,318	2,550	2,500	2,415	2,461	9,926
Stock compensation expense	69	65	64	63	261	72	70	71	72	285	85	82	71	77	315
Loss on extinguishment of debt	34	1	—	5	40	—	—	—	—	—	—	—	—	25	25
(Gain) loss on financial instruments, net	(38)	70	(17)	(84)	(69)	(63)	75	(12)	110	110	(37)	119	34	(62)	54
Other pension (benefits) costs, net	(13)	(13)	17	8	(1)	(20)	(20)	(207)	55	(192)	(9)	(9)	(9)	96	69
Other, net	103	137	148	(24)	364	92	76	23	121	312	105	78	19	36	238
Adjusted EBITDA ⁽ⁱ⁾	3,654	3,847	3,819	3,981	15,301	3,893	4,051	3,951	4,164	16,059	4,055	4,185	4,086	4,529	16,855
Less: Mobile revenue	—	—	—	—	—	—	—	(17)	(89)	(106)	(140)	(158)	(192)	(236)	(726)
Plus: Mobile costs and expenses	—	—	—	—	—	8	33	94	211	346	260	277	337	372	1,246
Cable Adjusted EBITDA ⁽ⁱ⁾	\$ 3,654	\$ 3,847	\$ 3,819	\$ 3,981	\$ 15,301	\$ 3,901	\$ 4,084	\$ 4,028	\$ 4,286	\$ 16,299	\$ 4,175	\$ 4,304	\$ 4,231	\$ 4,665	\$ 17,375
Net cash flows from operating activities	\$ 2,843	\$ 2,945	\$ 2,908	\$ 3,258	\$ 11,954	\$ 2,699	\$ 3,096	\$ 2,804	\$ 3,168	\$ 11,767	\$ 2,686	\$ 2,761	\$ 2,943	\$ 3,358	\$ 11,748
Less:															
Purchases of property, plant and equipment	(1,555)	(2,148)	(2,393)	(2,585)	(8,681)	(2,183)	(2,391)	(2,118)	(2,433)	(9,125)	(1,665)	(1,597)	(1,651)	(2,282)	(7,195)
Change in accrued expenses related to capital expenditures	(150)	347	79	544	820	(565)	99	(154)	150	(470)	(376)	(52)	(21)	504	55
Free cash flow ⁽ⁱ⁾	1,138	1,144	594	1,217	4,093	(49)	804	532	885	2,172	645	1,112	1,271	1,580	4,608
Plus:															
Mobile net cash outflows from operating activities	—	—	—	—	—	8	63	83	198	352	203	204	156	166	729
Purchases of mobile property, plant and equipment	—	—	—	—	—	17	53	66	106	242	88	93	100	151	432
Cable free cash flow ⁽ⁱ⁾	\$ 1,138	\$ 1,144	\$ 594	\$ 1,217	\$ 4,093	\$ (24)	\$ 920	\$ 681	\$ 1,189	\$ 2,766	\$ 936	\$ 1,409	\$ 1,527	\$ 1,897	\$ 5,769

 See page 2 for detail of the components included within Adjusted EBITDA ⁽ⁱ⁾ and cable Adjusted EBITDA ⁽ⁱ⁾.

 The above schedule is presented in order to reconcile Adjusted EBITDA ⁽ⁱ⁾, cable Adjusted EBITDA ⁽ⁱ⁾, free cash flow and cable free cash flow, non-GAAP measures, to the most directly comparable GAAP measures in accordance with Section 401(b) of the Sarbanes-Oxley Act. See footnotes on page 5.

Charter Communications, Inc.

Notes

- (a) Passings represent our estimate of the number of units, such as single family homes, apartment and condominium units and small and medium business and enterprise sites passed by our cable distribution network in the areas where we offer service. These estimates are based upon the information available at this time and are updated for all periods presented when new information becomes available. Passings in prior periods have been updated to reflect standardization of definitions and presentation among legacy companies.
- (b) Penetration represents residential and small and medium business customers as a percentage of estimated passings. Penetration excludes mobile-only customers.
- (c) Customer relationships include the number of customers that receive one or more levels of service, encompassing video, Internet and voice services, without regard to which service(s) such customers receive. Customers who reside in residential multiple dwelling units ("MDUs") and that are billed under bulk contracts are counted based on the number of billed units within each bulk MDU. Total customer relationships exclude enterprise and mobile-only customer relationships.
- (d) Monthly residential revenue per residential customer is calculated as total residential video, Internet and voice quarterly revenue divided by three divided by average residential customer relationships during the respective quarter. Monthly residential revenue per residential customers excludes mobile revenue and customers.
- (e) Monthly small and medium business revenue per small and medium business customer is calculated as total small and medium business quarterly revenue divided by three divided by average small and medium business customer relationships during the respective quarter. Monthly small and medium business revenue per small and medium customer excludes mobile revenue and customers.
- (f) Enterprise PSUs represents the aggregate number of fiber service offerings counting each separate service offering at each customer location as an individual PSU.
- (g) Single play, double play and triple play customers represent customers that subscribe to one, two or three of our cable service offerings, respectively, excluding mobile.
- (h) Single play, double play and triple play penetration represents the number of residential single play, double play and triple play cable customers, respectively, as a percentage of residential customer relationships, excluding mobile.
- (i) Adjusted EBITDA is defined as net income attributable to Charter shareholders plus net income attributable to noncontrolling interest, net interest expense, income taxes, depreciation and amortization, stock compensation expense, loss on extinguishment of debt, (gain) loss on financial instruments, net, other pension (benefits) costs, other (income) expense, net and other operating (income) expenses, such as special charges and (gain) loss on sale or retirement of assets. As such, it eliminates the significant non-cash depreciation and amortization expense that results from the capital-intensive nature of our businesses as well as other non-cash or special items, and is unaffected by our capital structure or investment activities.

Free cash flow is defined as net cash flows from operating activities, less capital expenditures and changes in accrued expenses related to capital expenditures.

Cable Adjusted EBITDA is defined as Adjusted EBITDA less mobile revenues plus mobile operating costs and expenses. Cable free cash flow is defined as free cash flow plus net cash outflows from operating activities and capital expenditures related to mobile.

- (j) Customer premise equipment includes costs incurred at the customer residence to secure new customers and revenue generating units, including customer installation costs and customer premise equipment (e.g., set-top boxes and cable modems, etc.).
- (k) Scalable infrastructure includes costs, not related to customer premise equipment or our network, to secure growth of new customers and revenue generating units, or provide service enhancements (e.g., headend equipment).
- (l) Line extensions include network costs associated with entering new service areas (e.g., fiber/coaxial cable, amplifiers, electronic equipment, make-ready and design engineering).
- (m) Upgrade/rebuild includes costs to modify or replace existing fiber/coaxial cable networks, including betterments.
- (n) Support capital includes costs associated with the replacement or enhancement of non-network assets due to technological and physical obsolescence (e.g., non-network equipment, land, buildings and vehicles).